

CHAPTER NO. 770

SENATE BILL NO. 3282

By Fowler

Substituted for: House Bill No. 3179

By Favors

AN ACT to amend Tennessee Code Annotated, Section 7-53-307; Section 9-21-105; Section 9-21-402 and Section 13-16-207, relative to the requirement for a certificate of public purpose and necessity for certain public works, industrial and business park projects.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 9-21-105(21), is amended by inserting the following as a new subdivision (D) thereto:

(D) Notwithstanding the foregoing, a certificate of public purpose and necessity shall not be required for a public works project of a local government with a population not less than three hundred thousand (300,000) according to the 2000 federal census or any subsequent federal census. The total pledge of full faith and credit of any such local government related to such project shall not exceed ten percent (10%) of the total assessed valuation of all property in the local government ascertained by the last completed assessment at the time of issuance of such obligations. In any resolution pledging the full faith and credit and unlimited taxing power of any such local government to secure any obligations related to a public works project, the governing body of the local government shall state that the project being considered is well conceived, has a reasonable prospect for success, will provide proper economic development and employment, and will not likely become a burden on the taxpayers of the local government.

SECTION 2. Tennessee Code Annotated, Section 9-21-402, is amended by inserting the following as a new subsection (c) thereto:

(c) Notwithstanding the foregoing, a certificate of public purpose and necessity shall not be required to finance an industrial park or a business park in any local government with a population not less than three hundred thousand (300,000) according to the 2000 federal census or any subsequent federal census. The total pledge of full faith and credit of any such local government related to such project shall not exceed ten percent (10%) of the total assessed valuation of any property in the local government ascertained by the last completed assessment at the time of issuance of such obligations. In any resolution pledging the full faith and credit and unlimited taxing power of any such local government to secure any obligations related to such project, the governing body of the local government shall state that the project being considered is well conceived, has a reasonable prospect for success, will provide proper economic development and employment, and will not likely become a burden on the taxpayers of the local government.

SECTION 3. Tennessee Code Annotated, Section 13-16-207(a)(2), is amended by deleting the language "twelve (12)" and by substituting instead the language "thirty-six (36)".

SECTION 4. Tennessee Code Annotated, Section 13-16-207, is amended by inserting the following as a new subsection (e) thereto:

(e) Notwithstanding the foregoing, a municipality with a population not less than three hundred thousand (300,000) according to the 2000 federal census or any subsequent federal census shall not be required to obtain a certificate of public purpose and necessity in order to borrow funds to develop an industrial park under this part. Any such municipality that makes a total pledge of full faith and credit of the municipality related to an industrial park project shall not exceed ten percent (10%) of the total assessed valuation of all property in the municipality ascertained by the last completed assessment at the time of issuance of such obligations. In any resolution pledging the full faith and credit and unlimited taxing power of such municipality to secure any obligations related to such project, the governing body of the municipality shall state that the project being considered is well conceived, has a reasonable prospect for success, will provide proper economic development and employment, and will not likely become a burden on the taxpayers of the municipality.

SECTION 5. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: May 11, 2006


JOHN S. WILDER
SPEAKER OF THE SENATE


JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 26th day of May 2006


PHIL BREDESEN, GOVERNOR